Average cost of production of power

364. SHRIMATI PREMA CARIAPPA
SHRI MOTILAL VORA

Will the Minister of POWER be pleased to state:

(a) what is the per kilowatt/hour cost of production of power by various distribution companies in India,

(b) whether the power distribution companies in India are charging Rs. 5 per unit when the cost of producing power is more tha Rs. 3 per unit (Kilowatt/hour);

(c) whether Government is aware that most of the power distribution companies are charging fuel adjustment charge, surcharge, cess and other taxes due to which the consumers have to pay very heavy charges,

(d) if so, what steps Government propose to take to reduce the power charges in various States including NCT, particularly in view of difference between cost of production and price charged for power; and

(e) if not, the reasons therefor?

THE MINISTER OF POWER (SHRI P.M SAYEED): (a) and (b) According to the information available with Central Electricity Authority, the average cost of power supply by the utilities for the year 2002-03 was estimated to be Rs. 3 63 per Kwh and average tariff for sale of electricity was Rs. 2.71 per Kwh.

(c) to (e) Consumer tariffs are required to be decided by State Regulatory Commissions in accordance with provisions of the Electricity Act, 2003 after hearing the views of all the stake-holders including generating companies/utilities and consumers in a transparent manner

Merger of PFC and PGC

365. SHRI S M LALJAN BASHA Will the Minister of POWER be pleased to state:

(a) whether Government is considering a proposal to merge the Power Finance Corporation and Power Grid Corporation to reduce costs of administration;

(b) if so, the details of this merger proposal;

(c) what steps Government propose to take to reduce the high cost of management and administration at these two bodies;